

STATE ACCOMMODATIONS TAX

By a 1984 Act of the General Assembly, a 2% tax is imposed on all accommodations in the State of South Carolina. These monies are collected by the State and distributed to counties and municipalities. The proceeds must be spent for tourism promotion and tourism-related expenditures. Projects are reviewed by an Accommodations Tax Advisory Committee.

State law provides that (a) the first \$25,000 must be allocated to the City's General Fund for general purpose use; (b) 5% of the balance must also be allocated to the City's General Fund; (c) 30% of the balance must be allocated for the purpose of advertising and promotion of tourism; and (d) the remaining balance must be used for tourism-related expenditures.

The City Council adopted a Grant-In-Aid Policy that stipulates a City Council contingency is established for unanticipated events, festivals, and other opportunities. This budget includes \$40,000 for the Council's contingency.

STATE ACCOMMODATIONS TAX				
	2005-06 <u>Actual</u>	2006-07 <u>Actual</u>	2007-08 <u>Budget</u>	2008-09 <u>Budget</u>
REVENUES				
Intergovernmental	\$ 877,416	1,000,450	940,000	1,150,000
Interest	4,130	9,444	9,275	9,000
TOTAL REVENUES	881,546	1,009,894	949,275	1,159,000
EXPENDITURES				
Transfer - General Fund	112,827	167,745	162,177	235,055
Transfer - Carolina First Center Fund	0	0	84,000	0
Transfer to Hospitality Tax	50,000	50,000	50,000	50,000
City Council Reserve - Grant In Aid Policy	0	20,000	20,000	40,000
Tourism Promotions - CVB	256,964	295,468	274,500	337,500
Tourism Projects	434,560	521,727	455,000	495,000
TOTAL EXPENDITURES	854,351	1,054,940	1,045,677	1,157,555
Excess (deficiency) of revenues over expenditures	27,195	(45,046)	(96,402)	1,445
Fund balance at beginning of year	167,110	194,305	149,259	52,857
Fund balance at end of year	\$ 194,305	149,259	52,857	54,302

FY 2008-09 BUDGET HIGHLIGHTS

- The annual transfer of \$50,000 for the Carolina First Center debt is to help support the 2004 Certificate of Participation (COPs) debt service.
- \$153,805 is transferred to the General Fund for trolley operations.

(STATE ACCOMMODATIONS TAX CONTINUED)

FY 2008-09 ALLOCATION OF ACCOMMODATIONS TAX REVENUES

Total Revenues	\$1,150,000
First \$25,000 to General Fund	<u>(25,000)</u>
	1,125,000
5% of Balance to General Fund	(56,250)
30% to Tourism Promotion	<u>(337,500)</u>
	393,750
Set Aside - City Council Reserve	(40,000)
Contribution to Carolina First Center	<u>(50,000)</u>
Current Revenues Available for Tourism Expenditures	\$641,250

DISBURSEMENT OF FUNDING (TOURISM-RELATED EXPENDITURES)

	FY 07/08 <u>Budget</u>	FY 08/09 <u>Budget</u>
Greenville CVB	\$200,000	\$200,000
Metropolitan Arts Council	140,000	160,000
Patriotic Pops Concert	5,000	0
Medalist Sports	25,000	25,000
Artisphere	25,000	25,000
Downtown Brochures, Kiosks, and Maps	20,000	20,000
Carolina First Center	10,000	10,000
Greenville Cultural Exchange Center	10,000	0
Greenville HBCU Classic	5,000	0
Scottish Games	15,000	15,000
Bassmasters	** 20,000	0
Southern Exposure	** 20,000	20,000
BMW Classic	0	10,000
I Was Blown Away Campaign	0	10,000
Downtown Trolley	<u>*91,427</u>	<u>*153,805</u>
TOTAL	\$586,427	\$648,805

* This funding is reflected in the General Fund Transfer.

**Allocation from City Council Contingency as approved by Council resolution following adoption of the annual operating budget.